STATE OF ILLINOIS SECRETARY OF STATE SECURITIES DEPARTMENT

IN THE MATTER OF: QUANTUM BIOMOD CORPORATION) LTD., ITS OFFICERS AND DIRECTORS, AGENTS, EMPLOYEES, AFFILIATES, SUCCESSORS AND ASSIGNS,) and DAVID A. GOODMAN, individually.

FILE NO. 0400601

TEMPORARY ORDER OF PROHIBITION

TO RESPONDENTS:

Quantum Biomod Corporation

c/o David A. Goodman

2614 North Clybourn Avenue, Suite 201

Chicago, Illinois 60614

David A. Goodman 1951 North Hicks Road Palatine, Illinois 60674

On information and belief, I, Jesse White, Secretary of State for the State of Illinois, through my designated representative, who has been fully advised in the premises by the staff of the Securities Department, Office of the Secretary of State, herein find:

- 1. That Respondent Quantum Biomod Corporation (hereinafter "Quantum"), an Illinois corporation, maintained a business address at 2614 North Clybourn Avenue, Suite 201, Chicago, Illinois 60614.
- 2. That Respondent David A. Goodman, President of Quantum (hereinafter "Goodman", and collectively with Quantum "Respondents"), maintains a residence address at 1951 North Hicks Road, Palatine, Illinois 60674.
- 3. That between on or about November and Dcecmber 2001, Goodman as representative of Quantum approached more than one Illinois resident (Investors) and pursued a relationship with them for the purpose of selling

the Investors shares of Stock issued by Quantum at the price of \$10,000 for two thousand shares (the "Offering").

- 4. That the Respondents provided a detailed "Executive Summary" ("Summary") about Goodman and Quantum, which included in the Company background that it was "created in 2001 to leverage the extraordinary talents and skills the founder... Goodman..." The Summary in part touted that "Quantum BioMod isolates target receptors for the development of biomedical products...." That through the "use of its quantum computing systems operating at ten of thousands of iterartions greater than today's technologies and biological systems." And that "Quantum BioMod Corp has already produced 55,000 various new multidimensional target receptors, each with a retail value of \$1.6 million. This creates an inventory with a representative value of \$88 billion if all are sold."
- 5. That in about December 2001, subsequent to the foregoing solicitation, the Respondents sold to each of the Investors 2,000 shares of common stock on the Offering at the purchase price of ten thousand (\$10,000.00) dollars. Respondent Goodman requested the Investors to back the checks to November 5, 2001.
- 6. That the activities described in paragraphs 3 through 5 above constitute the offer and sale of Stock and therefore a security as those terms are defined in Sections 2.1, 2.5, and 2.5a of the Illinois Securities Law of 1953 [815 ILCS 5] (the "Act").
- 7. That Section 5 of the Act provides, <u>inter alia</u>, that all securities except those exempt under Section 3 or those offered or sold in transactions exempt under Section 4 shall be registered either by coordination or by qualification prior to their offer or sale in the State of Illinois.
- 8. That Respondents failed to file with the Secretary of State an application for registration of the investment opportunity described above as required by the Act and that as a result the security was not registered pursuant to Section 5 of the Act prior to its offer in the State of Illinois.
- 9. That Section 12.A of the Act provides, <u>inter alia</u>, that it shall be a violation for any person to offer or sell any security except in accordance with the provisions of the Act.
- 10. That Section 12.D of the Act provides, <u>inter alia</u>, that it shall be a violation for any person to fail to file with the Secretary of State any application, report or document required to be filed under the provisions of the Act or any rule or regulation made by the Secretary of State pursuant to the Act.
- 11. That by virtue of the foregoing, Respondents have violated Sections 12.A and 12.D of the Act.

- 12. That the aforementioned findings are based upon credible evidence.
- 13. That Section 11.F(2) of the Act provides, <u>inter alia</u>, that the Secretary of State may temporarily prohibit the offer or sale of securities by any person, without notice and prior hearing, if the Secretary of State shall deem it necessary to prevent an imminent violation of the Act or to prevent losses to Investors that will occur as a result of prior violations of the Act.
- 14. That the entry of this Temporary Order prohibiting Respondents, or their agents, affiliates, and employees, from offering or selling the above-referenced securities in the State of Illinois is in the public interest and for the protection of the investing public and is consistent with the purposes intended by the provisions of the Act.

NOW THEREFORE IT IS HEREBY ORDERED THAT: pursuant to the authority granted by Section 11.F of the Act, Respondents are **PROHIBITED** from offering or selling securities in or from this State until further Order of the Secretary of State.

NOTICE is hereby given that Respondents may request a hearing on this matter by transmitting such request in writing to the Director, Illinois Securities Department, 69 West Washington Street, Suite 1220, Chicago, Illinois 60602. Such request must be made within thirty (30) calendar days of the date of entry of the Temporary Order of Prohibition. Upon receipt of a request for hearing, a hearing will be scheduled as soon as reasonably practicable. A request for hearing will not stop the effectiveness of this Temporary Order and will extend the effectiveness of this Temporary Order for sixty days from the date the hearing request is received by the Department.

FAILURE BY ANY RESPONDENT TO REQUEST A HEARING WITHIN THIRTY (30) CALENDAR DAYS AFTER ENTRY OF THIS TEMPORARY ORDER OF PROHIBITION SHALL CONSTITUTE AN ADMISSION OF ANY FACTS ALLEGED HEREIN AND SHALL CONSTITUTE SUFFICIENT BASIS TO MAKE THIS TEMPORARY ORDER OF PROHIBITION FINAL.

ENTERED: This 3rd day of November, 2006.

JESSE WHITE Secretary of State State of Illinois

Temporary Order of Prohibition

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Attorney for the Secretary of State:

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